Sharing of Air Travel Tax

160. SHRI RAMA MUNI REDDY SIRIGIREDDY:
SHRI K. RAMA MOHANA RAO:

Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether it is a fact that the State Government of Andhra Pradesh has requested the Ministry for parting a part of foreign travel tax and internal air travel tax to fund the new international airport coming up at Shamshabad;

(b) if so, the details of the request;

(c) whether the AAI has taken any decision on this request; and

(d) if not, by when a decision would be taken in this regard?

THE MINISTER OF STATE OF THE MINISTRY OF CIVIL AVIATION (SHRI RAJIV PRATAP RUDI): (a) and (b) Yes, Sir. State Government of Andhra Pradesh had requested Government of India for exemption from Payment of Inland Air Travel Tax (IATT) and Foreign Travel Tax (FTT) at the proposed Greenfield airport at Shamshabad, so that Users' Development Charge (UDF) of equivalent amount may by imposed on departing passengers at the new airport.

(c) and (d) Hon'ble Finance Minister, in the Budget Speech 2002-03 had announced package of concession for the Greenfield airports which, *inter-alia*, includes exemption from levy of Inland Air Travel Tax (IATT) and Foreign Travel Tax (FTT) on departing passengers for projects located in the States, that charge Sales Tax on Aviation Turbine Fuel (ATF) at Central Sales Tax (CST) rate. The levy would come into being on commissioning of the new airport.

Extension of Open Sky Policy

161. SHRI SURESH KALMADI: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether Government are considering a proposal to extend the open sky policy for another two years during the peak tourist season October-March;